REMARKS

This is intended as a full and complete response to the Office Action dated October 20, 2004, having a shortened statutory period for response set to expire on January 20, 2005. Please reconsider the claims pending in the application for reasons discussed below.

Specification

Paragraph [0001] has been amended to insert the issued patent number of the parent application as requested by the Examiner. Accordingly, Applicant respectfully requests withdrawal of the objection to the specification.

Drawings

The drawings stand objected to under 37 C.F.R. § 1.83(a). In response, Applicant canceled claim 20, which was the only claim that included the feature of the mud pipe having ball joint ends. Accordingly, Applicant respectfully requests withdrawal of the objection to the drawings and acceptance thereof.

Claim Rejections - 35 U.S.C. § 102- Boyadjieff

Claims 13, 14, 17 and 19 stand rejected under 35 U.S.C. § 102(b) as being anticipated by *Boyadjieff* (U.S. Patent No. 4,449,596).

A top drive drilling assembly disclosed in *Boyadjieff* does not have a suspension unit to compensate for movement of a tubular being handled. A piston and cylinder mechanism (reference number 110 in Figure 11) of the top drive drilling assembly moves a torque wrench in between various different operating conditions (illustrated by Figures 10-12) by moving the torque wrench (*i.e.*, not the tubular) relative to the tubular and/or subs that thread to the tubular. Therefore, *Boyadjieff* fails to teach, show or suggest a suspension unit configured for compensating a tubular engagement tool in order to compensate for movement of an upper tubular, as recited in claim 13 and claims 14, 17, 19 and 30 dependent thereon. Accordingly, Applicant respectfully requests withdrawal of the rejection and allowance of the claims.

Claim Rejections - 35 U.S.C. § 102- Willis

Claims 13, 14, 17 and 19 stand rejected under 35 U.S.C. § 102(b) as being anticipated by *Willis* (U.S. Patent No. 5,036,927).

A top drive drilling assembly disclosed in *Willis* does not have a suspension unit to compensate for movement of a tubular being handled. Similar to *Boyadjieff* discussed above, hydraulic cylinders (reference number 28 in Figure 1) of the top drive drilling assembly in *Willis* move a wrench assembly (*i.e.*, not the tubular) relative to a load beam (14) in order to move engaging members attached to the wrench assembly with respect to the tubular. Therefore, *Willis* fails to teach, show or suggest a suspension unit configured for compensating a tubular engagement tool in order to compensate for movement of an upper tubular, as recited in claim 13 and claims 14, 17, 19 and 30 dependent thereon. Accordingly, Applicant respectfully requests withdrawal of the rejection and allowance of the claims.

Claim Rejections - 35 U.S.C. § 102- Albright et al.

Claims 13-18 and 21-29 stand re rejected under 35 U.S.C. § 102(e) as being anticipated by *Albright et al.* (U.S. Patent No. 6,000,472).

An elevator disclosed in *Albright et al.* that latches onto a top end of a tubular does not torsionally grip an upper tubular. The elevator shown in *Albright et al.* forms a load-bearing ring when closed around the tubular, which supports a larger shoulder or taper on the tubular without otherwise gripping the tubular to enable delivery of torque. Furthermore, torsional gripping of the tubular cannot occur using a compensator system in *Albright et al.* since the elevator is suspended from a yoke only by movably connected bails that would twist up upon application of torque. Applicant submits that torque can only be transmitted to the tubulars in *Albright et al.* by a tong, a rotary rig or a top drive that each must engage the tubular independently from the compensator system that includes the elevator and the bails.

Therefore, Albright et al. fails to teach, show or suggest an apparatus that includes a top drive having a tubular engagement tool capable of torsionally gripping the upper tubular and a suspension unit operatively connected to the top drive, the

suspension unit configured for compensating the tubular engagement tool in order to compensate for movement of the upper tubular, as recited in claim 13 and claims 14-18 and 30 dependent thereon. Accordingly, Applicant respectfully requests withdrawal of the rejection and allowance of the claims.

Further, Albright et al. fails to teach, show or suggest a method that includes engaging an upper tubular with a tubular engagement tool of a top drive having a suspension unit, engaging a lower end of the upper tubular with an upper end of a lower tubular, rotating the upper tubular via the tubular engagement tool, thereby threading the tubulars to form a connection, torquing the connection via the tubular engagement tool and compensating for movement of the upper tubular with the suspension unit during the threading, as recited in claim 21 and claims 22-23 dependent thereon. Accordingly, Applicant respectfully requests withdrawal of the rejection and allowance of the claims.

Additionally, *Albright et al.* fails to teach, show or suggest a method that includes engaging an upper tubular with a tubular engagement tool of a top drive having a suspension unit, compensating for weight of the upper tubular to accommodate movement of the upper tubular while engaged by the tubular engagement tool, engaging a lower end of the upper tubular with an upper end of a lower tubular to form a connection therebetween and delivering torque to the upper tubular via the tubular engagement tool, as recited in claim 24 and claims 25-29 dependent thereon. Accordingly, Applicant respectfully requests withdrawal of the rejection and allowance of the claims.

Claim Rejections - 35 USC § 103

Claim 20 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over *Boyadjieff* ('596) in view of *Myers* (U.S. Patent No. 4,733,991).

Applicants canceled claim 20 without prejudice. Accordingly, Applicant respectfully requests withdrawal of the § 103 rejection.

Conclusion

The references cited by the Examiner, alone or in combination, do not teach, show, or suggest the invention as claimed. Having addressed all issues set out in the office action, Applicant respectfully submits that the claims are in condition for allowance and respectfully requests that the claims be allowed.

Respectfully submitted,

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